

S/013/001



Michael O. Leavitt
Governor

Scott Hirschi
Director

State of Utah

School and Institutional
Trust Lands Administration

355 West North Temple
3 Trind Center, Suite 400
Salt Lake City, UT 84100-1204
801-538-5508
801-355-0922 (fax)

August 5, 1994

CERTIFIED MAIL NO. P 879 605 317

Weston Hansen
8809 South 700 West
Sandy, UT 84070

Dear Mr. Hansen:

RE: ML 44821--Building Stone/Limestone
S/013/001 Duchesne County

Thank you for your August 2nd visit with me to discuss bonding of your mining operations under the above numbered mineral lease.

I visited the mine on August 4th and have determined the following bonding requirement based upon the exiting surface disturbances. The disturbance is comprised of three sites along the rock outcrop. The lower site consisting of an access road and a cut in the outcrop covers about .40 acre. The middle site consisting of a cut in the outcrop and a small clearing above the cut covers about .11 acre. The upper site consisting of an access road and a cut in the outcrop covers about .19 acre. The amount of bonding that is required for the total .70 acres is \$3,500.

Please note that a bond in the amount of \$3,500 is sufficient for only .70 acres of surface disturbance. You may not expand the mine beyond the present area of surface disturbance without additional bonding.

Lessee must immediately either submit a \$3,500 CD in lieu of a surety bond to cover the existing mined land disturbance or else reclaim the disturbances. Lessee may reduce the amount of bond that is required, at the rate of \$5,000 per acre, through reclamation of part of the disturbed acreage.

Lessee's failure to comply with this letter within the next 30 days may result in the cancellation of this lease without further notice.

Please contact me if you have any questions regarding bonding or reclamation requirements.

Sincerely,

JOHN T. BLAKE
MINERAL RESOURCES SPECIALIST

JTB/tdw

cc: Tony Gallegos.